

Minutes of the Redevelopment Agency of Murray City held Tuesday, January 27, 2004 at 4:30 p.m. at the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Present:	Pat Griffiths, Chair	Dan Snarr, Mayor
	Krista Dunn	Dennis Hamblin, Redevelopment Director
	Robert Robertson	Frank Nakamura, City Attorney
	Jim Brass	Pete Fondaco, Police Chief
		Doug Hill, Public Services Director
		Shannon Jacobs, Council Director
		Keith Snarr, Economic Dev. Director
		Carol Heales, City Recorder

Excused: Jeff Dredge

Pat Griffiths called the meeting to order at 4:30 p.m.

1. Approval of Minutes of June 17, 2003.

Krista Dunn made a motion to approve the minutes of June 17, 2003 as submitted. Seconded by Jim Brass.

4 Ayes
0 Nays

2. Consider election of RDA Chair and Vice-Chair for the year 2004.

Krista Dunn made a motion that Pat Griffiths remain Chair for the year 2004. Seconded by Robert Robertson.

4 Ayes
0 Nays

Krista Dunn made a motion that Jim Brass be Vice-Chair for the year 2004. Seconded by Robert Robertson.

4 Ayes
0 Nays

3. Discuss administrative changes in the RDA to move RDA staff duties to the Economic Development Department.

Mayor Dan Snarr stated that in reviewing the time that is involved in the RDA with regards to the current redevelopment districts and potentially establishing any new districts, that the amount of time is extraordinary. He stated rather than have Mr. Hamblin with the added time burden and growth of the city, he would propose that those responsibilities be shifted to Mr. Keith Snarr and the Economic Development Department. He stated that additional staffing may be necessary for Keith with the transferring of this responsibility.

Mr. Keith Snarr commented that he has had experience in setting up several redevelopment

districts and is comfortable with accepting this proposal. He stated that he gets involved with developers in the city through economic development and that RDA's can help make some of the deals work. He stated he is familiar with the requirements of redevelopment districts such as budgeting, creating areas, etc.

Mayor Snarr stated that Keith Snarr has had the opportunity over his career to work with other cities in establishing and working with redevelopment agencies and understands the issues very well.

Dennis Hamblin indicated that he was in favor of this proposal. He stated that a few years ago when the RDA smelter site was created, it was very involved and required much time and money. He stated in his Community Development Department there is little time available for any potential redevelopment efforts and if there is interest to create new areas, his department would not be able to facilitate that need and therefore was in favor of this transferring of the redevelopment agency to the Economic Development Department. He stated the planning department is at capacity with the newly annexed areas of the city; and also the administration of the community development block grant (CDBG) area has also intensified in its efforts and requirements from the County and HUD which is also administered out of his office. He stated that if new redevelopment districts are going to be created, it would require a lot of time and his office would not be able to accommodate that demand in establishing the district, maintenance of the districts afterwards, or any property acquisition or relocation issues.

Mayor Snarr commented that Keith Snarr does work with developers and sometimes they will ask questions regarding development of property and if there are any monies that may be available. He stated if there is an RDA in place, then Keith Snarr could address that issue in regards to infrastructure that could enhance the developers ability to utilize the site. He stated that Keith is willing to undertake this position and that more money may be requested for his budget for consulting fees, etc.

Pat Griffiths asked about the budgetary impact on salaries of Mr. Hamblin and Mr. Snarr. She stated that part of Mr. Hamblin's salary comes from the RDA budget. Doug Hill responded that half of Dennis Hamblin's and Susan Dewey's salary is paid out of the RDA and those funds could be shifted without any budgetary impact so that half of Keith's salary, and possibly an additional employee, could be paid for out of the RDA fund and there will not be a budgetary impact to the RDA but the change would not occur until July 2004. Depending on what the Mayor does with his budget for additional staffing in the Economic Development Department, there could be an impact to the General Fund in that half of Dennis's and Susan's salary would then need to be picked up by the General Fund.

Pat Griffiths asked if the current salaries would remain the same. Mr. Hill responded that Mr. Hamblin's salary would remain the same. The shift in funds would ultimately be that Mr. Hamblin's salary would come out of the general fund and half of Mr. Snarr's salary would be paid out of the RDA fund.

Krista Dunn asked if Mr. Hamblin's job description would change. Mr. Hill responded that Human Resources indicated that the Wasatch Comp Market Survey compares Mr. Hamblin's

salary as a Community Development Director to other Community Development Directors in the valley, and in many cases, the Redevelopment Agency responsibilities do not belong to the Community Development Director and should not change Mr. Hamblin's market comparisons for his job description. Mr. Hill commented that the Redevelopment Agency really is a function for economic development and is a means to redevelop blighted or underutilized areas and works hand in hand with economic development.

Pat Griffiths asked how many other cities combine the Economic Development Director functions with the Redevelopment Director. Mr. Hamblin stated that Salt Lake, West Valley City and Sandy City have separate RDA directors from their Community Development Director. Keith Snarr stated that he has participated professionally with the Utah Alliance of Economic Development Professionals and also with the Utah Redevelopment Association. He stated this past year the Utah Redevelopment Association has approached Utah Alliance for Economic Development asking that their professional organization now come under the Utah Alliance for Economic Development as part of their umbrella and are somewhat merging. He stated that because of the number of Economic Development people who are also involved with RDA's across the state they are now becoming a single entity. He stated South Salt Lake has a combined RDA and Economic Development Department. He stated West Jordan City's Economic Development and RDA departments both fall under Community Development but have separate directors for each; Taylorsville City contracts out the RDA issues; Provo has a separate RDA and their county does their economic development; Logan City's Economic Development Director is also the Redevelopment Agency Director.

Pat Griffiths commented that it is most important that the comparisons are comparing salaries along with the duties. She asked Mayor Snarr about his comment in regards to adding to the RDA budget for consulting fees. Mayor Snarr responded that he may wish to put in additional monies in the budget for consultants, if necessary, to provide different analysis's or blight studies, etc.

Krista Dunn asked where those monies now come from for consultant fees. Mr. Snarr responded that it comes out of the RDA fund. Mayor Snarr stated that Keith may need additional help and that requests will continue to grow for Keith's Economic Development Department.

Krista Dunn asked why there needs to be additional consulting fees, etc. Mayor Snarr responded that the RDA's consulting fees will not necessarily increase and there are already funds for consultants, etc., but Keith is doing a lot of additional responsibilities and because of the economic development drive within the city there needs to be additional revenue sources. He stated there are opportunities for Keith, but the financial resources are not available to address those opportunities in a timely manner. Mayor Snarr commented that the bottom line of this city is driven by economic development and the business environment, and 65% of all funding to run this city comes from the business environment.

Doug Hill stated that the RDA's budget line item for professional services will not change with the proposed administration changes. He stated what would change is if the RDA started creating new project areas. He stated that Keith Snarr has been encouraging himself, the

Mayor and Mr. Hamblin to look at various areas of the city and evaluate them for their potential redevelopment project areas. He stated that there have been discussions in regards to possibly creating one or two project areas this year and in order to do that there must blight studies, legal review of the documentation, mailings, etc. that are costs involved upfront in order to create a project area. He commented that if new project areas are to be created, Mr. Hamblin's offices ability to do that are limited and it would make more sense to tie it in with the economic development area.

4. Discuss and consider potential RDA project areas.

Keith Snarr stated that as he interviewed for the Economic Development Director position a few years ago, the topic that was given to him to address before the interviewing panel was what to do with the area north of 4500 South from the railroad tracks to State Street. He stated he had a chance to respond on some of his ideas and has continued to contemplate this area. He stated the Simpson Steel site has been put under contract and they are attempting to put together a deal for a transit oriented development. He stated that a major issue with this location is the development is between the two railroad tracks and has only one way in which is by Fireclay Avenue. The concern of the Planning Commission and planning staff is with a 500 dwelling unit development and no secondary access. He stated if the redevelopment tax increment could be incorporated with this property, that could help to bring the infrastructure to this site to help it develop and could be a win-win situation for all parties.

Mr. Snarr stated another potential project area could be in the area of 300 West to State Street from 4500 South as far north as Central Avenue. He stated that Murray City boundary goes only as far north as the Big Cottonwood Creek. He stated that he has had discussions with John Rosenthal from Salt Lake County and showed him this property in possibly having a joint RDA project with the county. He stated this area has about 200-300 acres that are underdeveloped and there are only a handful of residents in this area that would be affected, most of which are rental properties. Mr. Snarr stated that redevelopment offers a tool that can be used to help accomplish some of those aims in these two mentioned areas and there could be a mix of uses such as residential, recreation, office and perhaps industrial and retail.

Keith Snarr indicated that other potential sites for redevelopment could be 5900 South to 5100 South from Main Street to 300 East. This area has challenges with vacant retail spaces and poor land use configurations that could be enhanced through redevelopment. One other potential area could be along 5300 South from the light rail system to the freeway, including the frontage road and 300 West.

Krista Dunn asked Keith Snarr if the Council could have a list of project areas and the implications, budgets, the impact, the city's involvement with the projects, and why he believes those areas are qualified. She stated this information would be helpful for the Council to review. Mr. Snarr responded that this is why the Mayor has suggested that there might need to be consultants help, but that he could give the Council a "broad brush" look at that information. Mr. Snarr stated that in order to really get involved with the potential areas, there needs to be a blight analysis and also a financial analysis of those areas, which would be the next step to determine whether it is feasible or not. Mrs. Dunn responded that before the Council

determines whether they want to go to the expense of having a blight analysis done, they would like to have an internal assessment to determine whether it is qualified for taking those steps and they would like to be more educated prior to expending funds.

Mayor Snarr confirmed Mrs. Dunn's request to get information to justify the fact an area should be considered for an RDA because of certain issues regarding access, utility corridors, services, etc. Keith Snarr stated that they could address those issues.

Mayor Snarr commented that Jay Bullwinkle, of MGB+A, has done an excellent job at looking some of these areas and discussing some of those concerns that would make the areas desirable for an RDA to be established. He stated that if an RDA project area is not created for some of these areas, the properties are not capable of sustaining their own inter-development.

Pat Griffiths commented that another conflict is the taxing entities involved with RDA. Mayor Snarr stated that Keith has contacted the County in this regard and the various taxing entities such as the school district will need to be involved.

Mr. Hamblin commented that he agrees with the Mayor and Keith Snarr in regards to potential developers in developing property and their limitations without some type of redevelopment/economic development involvement of the city. He stated that Fireclay area does have access and utility upgrade needs that are necessary to make it economically viable. He stated that it is a good idea to provide preliminary information as requested by Mrs. Dunn to see if these proposed areas are in fact reasonable prior to having a blight study done.

Keith Snarr stated that he has undertaken a number of studies simultaneously and that may not be the best way to do that, and that it is better to pick the most important area and do one area at a time in order of priority. He stated that RDA areas area involved processes. He suggested having one project area this year and maybe another area next year. He stated that it typically takes 6 months to 1 year to put together an RDA project.

Pat Griffiths suggested that a prioritization of projects should be reviewed. Keith Snarr stated that he discussed this with the Economic Development Committee in length and also with Jay Bullwinkle and would like to share their recommendations with the Council in terms of focus for the districts.

Krista Dunn commented that it would be important for the Council to have RDA training and also be brought up to speed in regards to the existing project areas. The other Council members and May concurred with the idea of RDA training.

Mr. Hamblin commented that the Council may want to review some of the older project areas, such as the old downtown area that fund the budget so that monies could be borrowed to establish newer districts. He commented that there might need to be review whether or not to continue the East Vine project area. He stated this area included the Hyland Dairy which was anticipated to have contamination on the site, but as it turned out there was never any need for funding of improvements or changes in this area and increment has never been captured and could possibly be disbanded. He stated that the Cherry Street utilities were installed which was

the purpose for this particular district and could also possibly be disbanded.

Pat Griffiths commented that the Council should review the existing project areas and the viability and details of each one. The Mayor stated he would be willing to assign someone for getting additional training for the Council and also possibly the Planning Commission members.

Doug Hill asked Frank Nakamura if the Council needs to approve the decision to transfer the administration from Dennis Hamblin to Keith Snarr, or is it the Mayor's decision. Frank Nakamura responded that since there is no budgetary issue involved, the Mayor is the Chief Administrative Officer for the RDA and can make that decision. He commented that the budgetary issues are approved by the RDA board members.

Doug Hill stated that, assuming the transfer of responsibilities of the RDA is made to the Economic Development Department, the requested training would be Keith Snarr's responsibility and could be coordinated with Shannon Smith in the Council office.

Krista Dunn suggested to have a retreat type training session to address all the issues discussed tonight. Mr. Robertson concurred.

Meeting adjourned.

Keith Snarr
Redevelopment Director